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DE RUEHNE #0805/01 1121423 ZNY CCCCC ZZH O 221423Z APR 09 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 6308 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUCNDSC/DISARMAMENT CONFERENCE COLLECTIVE RUCNNSG/NUCLEAR SUPPLIERS GROUP COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 7598 RUEHLO/AMEMBASSY LONDON 6269 RUEHFR/AMEMBASSY PARIS 1690 RUEHKO/AMEMBASSY TOKYO 6300 RUEHVI/AMEMBASSY VIENNA 0421 RUCPDOC/DEPT OF COMMERCE WASHDC RUEAIIA/CIA WASHDC RHEBAAA/DEPT OF ENERGY WASHINGTON DC RUEKJCS/JOINT STAFF WASHDC RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEHUNV/USMISSION UNVIE VIENNA 1751 RUCNDT/USMISSION USUN NEW YORK 7915

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Classified By: Charge d'Affaires Peter Burleigh for Reasons 1.4 (B and D)

 $\P 1$ . (C) SUMMARY. Indian officials and media have welcomed the new U.S. administration, s positions on non-proliferation issues, reciprocating by signaling a willingness to join with us in several areas to reduce the threat of weapons of mass destruction. The Prime Minister,s Special Envoy Shyam Saran told the Charge that India is "ready to do business" with the U.S. on all non-proliferation issues, although bureaucrats cautioned that the new, post-election Indian government will likely craft its own policies. On CTBT, Saran said it "will not be an area for divergence," adding that India was "more likely to look at it in a different light if disarmament is He welcomed the President,s flexible stance on the issue of international verification on FMCT, saying India would like to engage with us at the Conference on Disarmament in Geneva. India supports the Proliferation Security Initiative in principle, but is wary about a formal endorsement, and is still hung up on technicalities regarding the program,s legal authority. MEA Disarmament Division Joint Secretary Gaddam Dharmendra said India would welcome the U.S. in multilateral efforts to prevent military conflict in space, calling it an "area of convergence." On the new IAEA Director General election, Dharmendra revealed India supported Minty in the first round, and suggested that India hoped for a new candidate to emerge. END SUMMARY.

Policy-makers and Pundits Agree: POTUS Nonpro Speech Welcome, India Ready to Engage

¶2. (U) Indian press and policy pundits welcomed President Obama's April 5 speech in Prague, particularly its emphasis on disarmament. Strategist C. Raja Mohan wrote in the Indian Express, "As a nation that has long championed the abolition of nuclear weapons, India has every reason to welcome the new disarmament framework unveiled by U.S. President Barrack

Obama in Prague." Arundhati Ghose, former Indian ambassador, told the Hindustan Times, "I don't see why today's India should object to signing the (Comprehensive Test Ban Treaty) if the U.S. and China ratify it." Even more skeptical outlets welcomed America's "less belligerent" tone on nonproliferation. Media also reported External Affairs Minister Pranab Mukherjee's statement in New Delhi the same day that India was committed to non-proliferation, but would not sign the "discriminatory" Nuclear Non-Proliferation Treaty (NPT), a clarification that could best be read in the context of the on-going general election campaign.

- 13. (C) The Prime Minister's Special Envoy Shyam Saran told Ambassador Burleigh in a meeting April 14 that India welcomed President Obama's April 5 speech. Saran, who had previously outlined India's views on nonproliferation in a speech at the Brookings Institution March 23, said India was pleased that nonproliferation was back on the agenda, including the "long hoped-for" prospect of warhead reductions. Saran said, "India is fully ready to engage in all these issues. We are ready to do business." Saran echoed his comments in his Brookings speech that the success of the civil nuclear initiative allowed India to approach a new global nonproliferation agenda with a sense of confidence rather than defensiveness. Referring to his Brookings remarks, Saran said India had already done enough to show its interest, adding, "Now you tell us when and how you would like to move forward.
- 14. (C) Ministry of External Affairs (MEA) Joint Secretary for Disarmament and International Security Affairs (DISA) Gaddam Dharmendra -- the senior nonproliferation expert in the Ministry -- commented to Poloff April 15 that the President's April 5 speech was "remarkably consistent" with his messages throughout the campaign and that India felt it was "very positive," adding that he looked forward to "details." Dharmendra opened a follow-on meeting with Poloff April 17 recommending that we read Saran's speech cautiously, flagging that the new Indian government will likely craft its own positions that could vary with Saran's description of India's views.

Disarmament and the CTBT: A Plan for "Zero"?

- $\P5$ . (C) Indians view the Comprehensive Test Ban Treaty (CTBT) through the lens of disarmament. While professing to support the CTBT in principle, India has refused to sign on the grounds both of process  $\operatorname{\mathsf{--}}$  it was referred to the UN General Assembly rather than winning consensus in the Conference on Disarmament -- and because it does not explicitly call for disarmament of the Nuclear Weapon States recognized by the Nuclear Nonproliferation Treaty (NPT). Saran told Ambassador Burleigh April 14 that the CTBT "will not be an area for divergence," adding that India was "more likely to look at it in a different light if disarmament is in place." Saran was careful not to say explicitly whether progress toward disarmament -- i.e. warhead reductions -- would be sufficient for India to consider signing the CTBT or whether India would first require a plan to get to zero warheads before it would make permanent and binding its voluntary testing moratorium. (In the April 14 meeting, Saran did not repeat his proposal in his Brookings speech of setting up an Ad Hoc Working Group in the Conference on Disarmament in Geneva on nuclear disarmament or the appointment of a special coordinator at the CD to carry out such consultations. He left the mechanism open, but made clear India's willingness to discuss the issue.)
- 16. (C) Dharmendra recounted the bruising CTBT approval process in 1998 before dismissing India's procedural objection as "history." He would not be drawn out on what degree of disarmament would encourage India to sign the CTBT, but quipped that the "800 pound panda" (i.e. China) would be the biggest variable in many of India's nonproliferation calculations. In the mean time, he stressed that India's position on testing remains its voluntary, unilateral moratorium reiterated by External Affairs Minister Pranab

Mukherjee on the eve of the Nuclear Suppliers Group meeting that granted India its exception in September 2008. He also stressed that India would avidly follow U.S. policies on warhead design and replacement.

FMCT: Pick Up Where We Left Off in Geneva

- 17. (C) Saran welcomed the new flexibility expressed by President Obama on the issue of international verification in the context of negotiations toward a Fissile Material Cut-off Treaty (FMCT), which he characterized as returning the U.S. to the "global consensus" and bringing the U.S. position in line with India's. He said India would be happy to engage at the Conference on Disarmament (CD) in Geneva.
- 18. (C) Joint Secretary Dharmendra called attention to India's consistent policy since the July 18, 2005 Joint Statement to work toward conclusion of a multilateral, universally applicable, and effectively verifiable treaty on Fissile Material Cut-off at the Conference on Disarmament. Dharmendra said, "We are now on the same side pushing for the same goal." He shared that the Algerian government, as president of the Conference on Disarmament, was distributing a paper that sought to bridge positions based on the 1998 consensus. He said the U.S. has yet to make a statement, adding, "What you do now could strengthen this consensus, and we are anxiously awaiting your statement."
- 19. (C) Dharmendra also repeated Saran's call in his Brookings speech for bilateral consultations on the issue of the likely mandate and scope of the negotiations, or in his words, to "help us synchronize." He proposed that our respective CD permanent representatives hold informal consultations in Geneva in June, after the new government is in place in Delhi.

WMD Terrorism and PSI: Support Principles, Problem with Protocol

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- ¶10. (C) Saran emphasized India's concern with keeping weapons of mass destruction out of the hands of terrorists. Indian officials generally refer to the A.Q. Khan network in the context of WMD terrorism, but Saran seemed to take a more expansive view, referring to a "substantial shared agenda on nuclear security." With regard to the Proliferation Security Initiative (PSI), Saran said, "Personally, I have always felt PSI worthwhile." He advised that the U.S. not be seen as pressuring India to join, which could create a political backlash, but rather to begin private discussions.
- 111. (C) While stressing the importance of collaboration on preventing WMD terrorism, Dharmendra was more cautious about PSI. He referred to "Saran's caveat" in his Brookings speech, that "there have been doubts in our country about its consonance with international maritime law." Dharmendra elaborated that PSI draws its legal authority from the a new protocol to the Convention on the Suppression of Unlawful Acts at Sea (SUAS Convention), on which the U.S. negotiated with India in 2005 but failed to reach an agreement. India remains a party to the SUAS Convention, but never accepted the new protocol because it referred to "comprehensive safeguards" rather than "IAEA Safeguards," as India had proposed. According to Dharmendra, many other countries have since accepted the protocol, making amendments difficult.
- 112. (C) Dharmendra insisted that India's opposition to the SUAS protocol has not and will not stop India from supporting the PSI in principle, interdicting shipments when called for, or engaging in activities, but it precludes India's full endorsement of the PSI principles, with which it otherwise has no problems. He agreed that the U.S. and India can cooperate on PSI, but he confessed that he could not see a way for India to fully endorse the PSI principles because "the legal hook on which PSI hangs its hat is problematic."

113. (C) Dharmendra called attention to the section of Saran's Brookings speech on anti-satellite weapons and lamented that President Obama's speech did not address peaceful use of outer space, which he described as important for nuclear stability and international security. He said India would welcome the U.S. in multilateral efforts to prevent military conflict in space and to negotiate an agreement to prohibit the testing of anti-satellite weapons. Calling space an "area of convergence," Dharmendra stressed that India would be happy to work together toward a multilateral agreement.

IAEA Director General: India Voted Minty, Hoping for New Candidates

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- 114. (SBU) Dharmendra had been unwilling previously to discuss India's plans for the IAEA Director General selection process, but he unexpectedly shared April 15 a fairly elaborate account of India's decision-making process. voted for South Africa's candidate, Abdul Minty, in the first round. Dharmendra said MEA had called in the Japanese ambassador in Delhi two days before the secret ballot vote and shared that they would support Minty over the Japanese candidate, Yukiya Amano. Dharmendra stressed that it was an extremely tough decision and that India's strategic partnership with Japan weighed heavily in its favor. Nevertheless, the decision came down to historic affinities and "relationships," all but saying that External Affairs Minister Pranab Mukherjee made the decision personally. Dharmendra alluded to Mukherjee's strong personal involvement with South Africa since the days of apartheid, and also mentioned India's continuing ties with the Non-Aligned Movement (NAM).
- 115. (SBU) Dharmendra suggested, but did not say, that India hoped a new candidate would emerge rather soon. Dharmendra personally "wished there had been other candidates" in the first round and had wagered colleagues that the slate would be wiped clean after the first round, suggesting that India did not plan to support Amano in the next round. He said he was aware of interested candidates from Spain, Malaysia, and Slovenia (the latter a former Yugoslav ambassador to India). He dismissed speculation that India secretly hoped for ElBaradei to return for another term in the event that no candidate won outright, saying he "seems to have ruled it out" and opining that he preferred "to take his accomplishments and ride off into the sunset."
- 116. (SBU) Dharmendra asked whether the U.S. intended to mount a vigorous campaign in capitals to support a particular candidate. He suggested that we exchange views two or three days before the vote, indicating that he would not have clear guidance until then. He also inquired about who the U.S. would back to head the Organization for the Prohibition of Chemical Weapons in The Hague.
- 117. (SBU) Poloff also delivered reftel demarches April 15, but has not yet received a substantive response.

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